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10/007,434

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Neal Solomon

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FENWICK & WEST LLP
SILICON VALLEY CENTER
801 CALIFORNIA STREET
MOUNTAIN VIEW, CA 94041

EXAMINER

GRAHAM, CLEMENT B

ART UNIT

PAPER NUMBER

3692

MAIL DATE

DELIVERY MODE

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/007,434

Applicant(s)

SOLOMON, NEAL

Examiner

Clement B. Graham

Art Unit

3692

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 4/23/07.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-158 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-158 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. Claims 1-158 remained pending.

Claim Rejections - 35 USC § 101

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1, 71, 82, 87, 99, 100, 110, 112, 133, 136-137, 157, 158, are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Applicant's claims are directed to an algorithm. Specifically, claim 1 recites "intelligent negotiation agent for sending and receiving information, and intelligent negotiation agent for procurement ", however these steps are mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, for example) and abstract ideas without a practical application are found to be non-statutory subject matter. Therefore, Applicant's claims are non-statutory as they do not produce a useful, concrete and tangible result.

Claim Rejections - 35 USC § 112

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 1, 71, 82, 87, 99, 100, 110, 112, 133, 136-137, 157, 158, are rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

In particular, claims 1, 71, 82, 87, 99, 100, 110, 112, 133, 136-137, 157, 158, recites in the preamble " a system for automated negotiation for procurement of an item using computers ". A system or an apparatus claim should always claim the structure or the hardware that performs the function. Applicant's claimed limitations consist of modules (software according to the specification) that do not describe the structure of the device. Appropriate correction is required.

Claim Rejections - 35 USC § 102

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

6. Claims 1-158, are rejected under 35 U.S.C. 102(e) as being anticipated by Ferstenberg et al (Hereinafter Ferstenberg U.S Patent: 6, 952, 682.

As per claims 1-81, Ferstenberg discloses a system for automated negotiation for procurement of an item using computers that communicate over a distributed network, the system comprising:

a buyer's intelligent negotiation agent for sending and receiving information regarding at least one selected item to and from a plurality of sellers' intelligent negotiation agents, said selected item being one of a group of individual product items and individual service items, and said at least one of a plurality of sellers' intelligent negotiation agents for sending and receiving information regarding said selected item to and from said buyer's intelligent negotiation agent(see column 1 lines 20-67 and column 2-3 lines 1-67 and column 4 lines 1-49) wherein, when said buyer's intelligent negotiation agent receives a response to a buyer's initial query regarding said selected item from at least one of said plurality of sellers' intelligent negotiation agents, said buyer's intelligent negotiation agent engages in a negotiation with each of said plurality of sellers' intelligent negotiation agents for procurement of said selected item.(Note abstract and see column see column 12 lines 46-67 and column 13 lines 1-67 and column 14-16 lines 1-67).

As per claims 82-98, Ferstenberg discloses a system for automated closing of procurement transactions using a computer that communicates over a network, the system comprising:

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an intelligent negotiation agent for autonomously negotiating item specifications for procurement of a selected item from a list of items, said list of items comprising individual product items and service items, and an intelligent transaction agent in communication with said intelligent negotiation agent, said intelligent transaction agent for autonomously clearing closing terms to complete a transaction for procurement of said selected item. .(Note abstract and see column see column 12 lines 46-67 and column 13 lines 1-67 and column 14-16 lines 1-67).

As per claim 99, Ferstenberg discloses a system for automated closing of procurement transactions using a computer that communicates over a network, the system comprising:

at least one buyer's intelligent transaction agent, and at least one seller's intelligent transaction agent in communication with said at least one buyer's intelligent transaction agent, said buyer's intelligent transaction agent and said seller's intelligent transaction agent for coordinating clearance of transaction terms to close a transaction for a procurement of a selected product or service item. (Note abstract and see column see column 12 lines 46-67 and column 13 lines 1-67 and column 14-16 lines 1-67).

As per claims 100-109, Ferstenberg discloses a system for automated procurement that communicates over a distributed network, the system comprising: one or more memories for storing a list of individual product items and individual service items, an intelligent commercial search agent in communication with said one or more memories, and one or more seller showcase databases in communication with said commercial search agent, said one or more seller showcase databases receiving market data from at least one of a plurality of market databases, each said one or more seller showcase databases updated responsive to a change in said market data, wherein, when one or more of said seller showcase databases receives from said commercial search agent a request to receive bids to sell a selected item specified from said list, said one or more seller showcase databases submits that bid to said commercial search agent. .(Note abstract and see column see column 12 lines 46-67 and column 13 lines 1-67 and column 14-16 lines 1-67).

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As per claims 110-111, Ferstenberg discloses a system for automated negotiation for offering an item for procurement using a computer that communicates over a distributed network, the system comprising:

a sellers' intelligent negotiation agent for sending and receiving information regarding at least one selected item to and from a plurality of buyer's intelligent negotiation agents, said selected item being one of a group of individual product items and individual service items, and said plurality of buyer's intelligent negotiation agents for sending and receiving information regarding said selected item to and from said sellers' intelligent negotiation agents, wherein, when said sellers' intelligent negotiation agent sends a request for bids to buy said selected item to said plurality of buyer's intelligent negotiation agents, said plurality of buyer's intelligent negotiation agents engages in a negotiation with said sellers' intelligent negotiation agent for procurement of said selected item. (Note abstract and see column see column 12 lines 46-67 and column 13 lines 1-67 and column 14-16 lines 1-67).

As per claims 112-132, Ferstenberg discloses a method for automated negotiation for procurement of an item using computers that communicate over a distributed network, the method comprising:

sending to a buyer's intelligent negotiation agent a response to a buyer's initial query regarding a selected item, said selected item being one of a group of individual product items and individual service items, receiving said response from at least one of a plurality of said seller's intelligent negotiation agents, and engaging in a negotiation between said buyer's intelligent negotiation agent and each of said plurality of seller's intelligent negotiation agents for procurement of said selected item. (Note abstract and see column see column 12 lines 46-67 and column 13 lines 1-67 and column 14-16 lines 1-67).

As per claims 133-135, Ferstenberg discloses a method for automated closing of procurement transactions using computers:

that communicate over a network, the method comprising:

negotiating item specifications autonomously for procurement of a selected item, said selected item one of a group of individual product items and individual service

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items, and autonomously clearing closing terms to complete a transaction for procurement of said selected item. .(Note abstract and see column see column 12 lines 46-67 and column 13 lines 1-67 and column 14-16 lines 1-67).

As per claim 136, Ferstenberg discloses a method for automated procurement of an item using computers that communicate over a distributed network, the method comprising:

storing a list of individual product items and individual service items, receiving market data from a plurality of market data bases, transmitting said market data to a remote node in a distributed network, updating said showcase databases responsive to a change in said market data, receiving from an intelligent commercial search agent a request to receive bids to sell a selected specified from said list, and submitting that bid to commercial search agent. .(Note abstract and see column see column 12 lines 46-67 and column 13 lines 1-67 and column 14-16 lines 1-67).

As per claims 137-148, Ferstenberg discloses a system for automated arbitrage using computers that communicate over a distributed network, the system comprising:

a plurality of sellers' intelligent negotiation agents, at least one buyer's intelligent negotiation agents, a dynamic intelligent negotiation agent in communication with said plurality of sellers' intelligent negotiation agents and in communication with said at least one buyer's intelligent negotiation agent, said dynamic negotiation agent having a buyer mode and a seller mode, each said sellers' intelligent negotiation agent having an authority from an associated seller to sell at least one item needed to fulfill a procurement interest of said buyer's intelligent negotiation agent(see column 1 lines 20-67 and column 2-3 lines 1-67 and column 4 lines 1-49) wherein, when each of said sellers' intelligent negotiation agents receives a request from said dynamic intelligent negotiation agent in said buyer mode for a bid to sell one of said items, each of said sellers' intelligent negotiation agent submits that bid to said dynamic intelligent negotiation agent, and wherein, when said dynamic intelligent negotiation agent in said buyer mode determines to accept said bid from said sellers' intelligent negotiation agent, said dynamic agent in said seller mode submits a bid to sell that item to said buyer's intelligent negotiation agent. .(Note abstract and see

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column see column 12 lines 46-67 and column 13 lines 1-67 and column 14-16 lines 1-67).

As per claims 149-156, Ferstenberg discloses a method for automated arbitrage using computers that communicate over a distributed network, the method comprising: transmitting to each of a plurality of sellers' intelligent negotiation agents a request for a bid to sell at least one item needed to fulfill a procurement interest of a buyer's intelligent negotiation agent, receiving from said seller's intelligent negotiation agent that bid, and transmitting to said buyer's intelligent negotiation agent a bid to sell that item. (Note abstract and see column see column 12 lines 46-67 and column 13 lines 1-67 and column 14-16 lines 1-67).

As per claim 157, Ferstenberg discloses a computer program product comprising a machine readable medium on which is provided program instructions for performing a method for procurement of an item using computers that communicate over a distributed network, the program instructions comprising: program code for sending to a buyer's intelligent negotiation agent a response to a buyer's initial query regarding a selected item, program code for said selected item being one of a group of individual product items and individual service items, program code for receiving said response from at least one of a plurality of said seller's intelligent negotiation agents, and program code for engaging in a negotiation between said buyer's intelligent negotiation agent and each of said plurality of seller's intelligent negotiation agents for procurement of said selected item. (Note abstract and see column see column 12 lines 46-67 and column 13 lines 1-67 and column 14-16 lines 1-67).

As per claim 158, Ferstenberg discloses a computer program product comprising a machine readable medium on which is provided program instructions for performing a method for automated arbitrage using computers that communicate over a distributed network, the program instructions comprising: program code for transmitting to each of a plurality of sellers' intelligent negotiation agents a request for a bid to sell at least one item needed to fulfill a procurement interest of a buyer's intelligent negotiation agent, program code for receiving from said

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seller's intelligent negotiation agent that bid, and program code for transmitting to said buyer's intelligent negotiation agent a bid to sell that item. (Note abstract and see column see column 12 lines 46-67 and column 13 lines 1-67 and column 14-16 lines 1-67).

Conclusion

RESPONSE TO ARGUMENTS

7. In response to Applicant's argument's filed 4/23/07 has been fully considered but they are moot in view of new grounds of rejections.

8. Applicant's claims 1, 71, 82, 87, 99, 100, 110, 112, 133, 136-137, 157, 158, states "Intelligent negotiation agent for sending and receiving information, and when said buyer's intelligent negotiation agent receives a response, when said buyer intelligent negotiation agent receives said bid, for autonomously negotiating item, for autonomously clearing closing terms, for mining data, for generating, for coordinating, for storing for sending, for receiving, for procurement authority from an associated seller to sell at least one item, when each of the said sellers intelligent agent receives a request, program code for sending, program code for receiving, program transmitting " However the subject matter of a properly construed claim is defined by the terms that limit its scope. It is this subject matter that must be examined. As a general matter, the grammar and intended meaning of terms used in a claim will dictate whether the language limits the claim scope. Language that suggests or makes optional but does not require steps to be performed or does not limit a claim to a particular structure does not limit the scope of a claim or claim limitation. The following are examples of language that may raise a question as to the limiting effect of the language in a claim:

- (A) statements of intended use or field of use,
- (B) "adapted to" or "adapted for" clauses,
- (C) "wherein" clauses, or
- (D) "whereby" clauses.

This list of examples is not intended to be exhaustive. See also MPEP § 2111.04.

**>USPTO personnel are to give claims their broadest reasonable interpretation in light of the supporting disclosure. In re Morris, 127 F.3d 1048, 1054-55, 44 USPQ2d 1023, 1027-28 (Fed. Cir. 1997). Limitations appearing in the specification but not recited in the

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claim should not be read into the claim. *E-Pass Techs., Inc. v. 3Com Corp.*, 343 F.3d 1364, 1369, 67 USPQ2d 1947, 1950 (Fed. Cir. 2003) (claims must be interpreted "in view of the specification" without importing limitations from the specification into the claims unnecessarily). In re Prater, 415 F.2d 1393, 1404-05, 162 USPQ 541, 550-551 (CCPA 1969). See also In re Zletz, 893 F.2d 319, 321-22, 13 USPQ2d 1320, 1322 (Fed. Cir. 1989) ("During patent examination the pending claims must be interpreted as broadly as their terms reasonably allow.... The reason is simply that during patent prosecution when claims can be amended, ambiguities should be recognized, scope and breadth of language explored, and clarification imposed.... An essential purpose of patent examination is to fashion claims that are precise, clear, correct, and unambiguous.

Only in this way can uncertainties of claim scope be removed, as much as possible, during the administrative process.")<

Where an explicit definition is provided by the applicant for a term, that definition will control interpretation of the term as it is used in the claim. *Toro Co. v. White Consolidated Industries Inc.*, 199 F.3d 1295, 1301, 53 USPQ2d 1065, 1069 (Fed. Cir. 1999) (meaning of words used in a claim is not construed in a "lexicographic vacuum, but in the context of the specification and drawings."). Any special meaning assigned to a term "must be sufficiently clear in the specification that any departure from common usage would be so understood by a person of experience in the field of the invention." *Multiform Desiccants Inc. v. Medzam Ltd.*, 133 F.3d 1473, 1477, 45 USPQ2d 1429, 1432 (Fed. Cir. 1998). See also MPEP § 2111.01.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Souh can be reached on 571-272-6795. The fax phone numbers for the organization where this application or proceeding is assigned are 703-305-0040 for regular communications and 703-305-0040 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-305-3900.


FRANTZY POINVIL
PRIMARY EXAMINER
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